

2011 DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES (FAS) WMBE PLAN

1. PURPOSE AND BACKGROUND

This 2011 WMBE Plan is to provide strategies that ensure inclusion of minority-owned and women-owned businesses, to ensure equal and equitable opportunity to compete for and participate in FAS purchasing and consultant contracting awards and Job Order Contracting construction projects. The Plan is organized into six Sections and guided by Executive Order 2010-05, Ordinances 119603 and 121717, and Seattle Municipal Code 20.42 that encourage all City departments to be inclusive of underrepresented business communities. The Sections are as follows:

Section 2: Goals provides target WMBE participation levels for FAS Purchasing and Consultant Contracting. Targets are expressed as a percentage of total FAS Purchasing or Consultant Contract payments for the year. The Section also includes a third goal – JOC Utilization – that is the dollar amount of FAS construction work targeted for award under the City’s existing JOC Facilities contract.

Section 3: Engagement Strategies describes the four main outreach strategies FAS will employ to engage WMBE firms in 2011.

Section 4: Action Plans provides specific actions for executing those strategies.

Section 5: Relationship Building provides examples of networking practices and outreach events to inform and reach out to the business community.

Section 6: Support to Other Departments describes FAS activities intended to provide central support to the City’s overall WMBE outreach program.

FAS is a merger of various internal and external service functions for the City, including:

- Facility Operations (operates and maintains over 100 City buildings, including City Hall, the Seattle Municipal Tower, fire stations, police precincts and shop and yard facilities. Contracted services range from construction and equipment replacement to janitorial supplies and postage)
- Capital Development and Construction Management (CDCM)(manages Capital Improvement Program (CIP) projects including fire stations and Customer Requested Tenant Improvements (CRTI)
- Fleet Services (purchasing and maintaining fleet vehicles and equipment)
- Accounting Services
- Treasury Services
- Economics and Fiscal Management
- Business Technology
- Regulatory and Consumer Protection
- Seattle Animal Shelter

- Risk Management
- FAS Department Support (Human Resources, Budget and other internal service functions)
- Office of Constituent Services (Customer Service Bureau)
- City Purchasing and Contracting Services (contracting policy and procedures)

2. GOALS

For 2011, FAS intends to increase 2010 WMBE participation levels by 10% over actual participation achieved. In addition, FAS intends to provide construction opportunities to WMBE firms through the City's Job Order Contracting program. The 2011 FAS WMBE goals for Purchasing, Consultant Contracting, and JOC Utilization are as follows.

- 2011 Purchasing Goal: 10%
- 2011 Consultant Goal: 13%
- 2011 JOC Utilization Goal: \$1,000,000

In addition to the Purchasing, Consultant and JOC goals, the Mayor had invited departments to submit special projects that presented a great new opportunity, visibility or interest. FAS submits the following project:

The Seattle Municipal Tower Initiative

In 2010, about \$8.1 million was spent to operate and maintain the Seattle Municipal Tower through a contract for property management services. About half of this amount is for expenses that are provided by the property manager and do not present subcontractable WMBE opportunities. Another large portion is for services in areas such as security and elevator maintenance where no WMBE firms are available to perform the services.

In July of 2010 the City entered into a new contract for the management of the Seattle Municipal Tower following a competitive bid process. Through that process and subsequent negotiations, Facility Operations challenged the management firm to make a substantial increase in WMBE spending by seeking WMBE vendors in all areas where WMBE firms were available to perform the services or provide the materials necessary to operate the building. The property management firm has begun executing this plan, which is expected to result, as contracts are re-bid, in about \$1 million in WMBE spending in areas for which there are qualified WMBE vendors.

The City's standardized approach to measuring WMBE participation in contracting does not measure participation in subcontracted services. For this reason, this initiative will not result in a tangible change in statistics measuring the division's WMBE contracting efforts. However, it will result in a substantial

change in the value of goods and services procured from the WMBE community in support of City operations.

A. Purchasing Goal For 2011: 10%

FAS performed above the 2010 WMBE Utilization Purchasing goal of 7.8%.

Total 2010 FAS Purchasing resulted in 9.2% WMBE participation (\$3.6 million).

The 2011 Purchasing goal increases WMBE participation to 10%.

Department	2010 WMBE Payments	2010 WMBE %	2011 Target Increase	2011 Goal
TOTAL FAS	\$3.6 million	9.2%	10.0%	10%

2010 Highlights:

- Facility Operations contracted for about \$1.4 million in purchased goods and services from WMBE providers;
- Facility Operations initiated the use of a significant new contracting tool, to require and score WMBE subcontracting as part of the Building Management rebid process. The previous contract holder had 18% utilization; the new bids incentivized greater efforts, and resulted in a 32% WMBE utilization commitment;
- CDCM achieved the bulk of its WMBE purchasing from two large generator projects executed with a blanket vendor at Fire Stations 25 and 40 totally approximately \$430,700 in 2010.
- While OCS has limited dollars for purchasing since the predominantly customer service staff, utilization of a WMBE copier vendor accounted for WMBE spending of approximately 41%.
- Facilities Operations purchased PC work stations for the shops from a WMBE.
- While light duty repair work was handled in-house, Facility Services used WMBE vendors for heavy-duty truck repairs and customized body up-fitting.

B. Consultant Contracting Goal For 2011: 13%

Total 2010 FAS actual Consultant Contracting was \$.688 million or 11.9% WMBE participation. This consultant contracting utilization is below the 2010 goal of 15.5%, which is reflective of citywide trends as discretionary dollars became scarce.

Department	2010 WMBE Payments	2010 WMBE %	2011 Target Increase	2011 Goal
TOTAL FAS	\$.688 million	11.9%	10.0%	13%

Highlights for 2010:

- CDCM achieved 15.9% in 2010 due to spending \$.500 million of \$3.15 million on WMBE consultant.

C. JOC Utilization: In FAS only CDCM has public works projects which can utilize JOC

CDCM will continue to maximize its use of both the Facilities and Utilities Job Order Contracts for Asset Preservation (AP) and operations capital small, multi-trade projects, which allows for more WMBE subcontracting opportunities than are available with standard low bid public works projects. The AP Program totals \$3 million annually and operations capital work ranges \$1.5-\$2 million. CDCM will support the City's rebid of the Facilities Job Order Contract.

In 2010, CDCM expended over \$900,000 on active and completed projects under JOC. Under JOC, the projects averaged over 40% WMBE participation. CDCM estimates spending \$1 million on JOC projects in 2011.

3. ENGAGEMENT STRATEGIES

FAS will employ the following four engagement strategies to provide Purchasing and Consultant Contracting opportunities to the WMBE community:

- **Engage Practicable Opportunities** – FAS will continue assertive outreach for goods and services, projects and other work having high probability of active WMBE participation in the associated industry.
- **Engage Minority-Owned Business Enterprise (MBE)** – FAS will continue assertive outreach to MBE communities and organizations to increase the number of MBE firms within the FAS overall WMBE participation level. FAS continues to inform businesses regarding registration on the City's website as a WMBE business and applying for the consultant and small construction projects rosters.
- **Create Pathways into Areas of Scarce WMBE Availability** – FAS will research industries that previously had limited WMBE membership and identify and outreach to WMBE firms that may have recently entered those industries.
- **FAS WMBE Team** - The Contracting Equity Manager (PCSD) has established a WMBE Team to provide continued collaboration and focus on WMBE opportunities in FAS. . The Team will meet quarterly.

4. ACTION PLANS

The tables below identify action plans for executing the FAS engagement strategies. The tables focus primarily on new upcoming outreach opportunities for 2011 (FAS service and product needs, anticipated projects and work, etc.) and do not necessarily include WMBE participation opportunities already secured.

Purchasing

Planned actions for achieving the FAS 2011 Purchasing target include the following:

- **Engage Practicable Opportunities**

FAS Line of Business	Project or Other Work	Vendor Service and/or Product	Action Plan
Facility Operations	Building maintenance	Janitorial services and landscaping services	Janitorial and other service B-Contracts have been or will be shortly re-bid. Review new replacement contracts for WMBE utilization opportunities.
Facility Operations	Emergency repair	Emergency cleanup, water damage cleanup and roof repair	Use WMBE vendors currently under B-Contract
Fleet Services	Environmentally friendly parts and service	Auto parts and service	FSD has vehicles in the fleet that require parts and service from a particular vendor, which is a WMBE and environmental vendor. FSD will not be purchasing any new vehicles in 2011 but will continue to purchase parts and service.
CDCM	Variety; in support of capital work	Direct purchase of goods and services (equipment, fixtures, and vendor services) in the execution of capital projects.	Use WMBE B Vendor contracts to purchase equipment or vendor service as needed in the execution of capital projects.
Revenue / Consumer Protection	B&O tax form printing and mailing	<ul style="list-style-type: none">• Printing B&O tax forms• Mailing B&O Tax forms and inserts	Use existing WMBE B-Contract as appropriate for forms printing and forms mailing services.
Business Technology	PC work station support across FAS.	<ul style="list-style-type: none">• Software• Hardware• Peripherals	Pursue successful WMBE utilization of WMBE vendor for services and support.
Business Technology	Technology operations	<ul style="list-style-type: none">• Office Supplies• Printing	Team with other FAS divisions to identify and utilize WMBE firms for routine operations services and commodities.
Animal Shelter	Volunteer Program	Operating supplies	Encourage volunteers to procure supplies from WMBE firms

Multiple across FAS	Outreach events	Represent both FAS and City at internal and external outreach events	<ul style="list-style-type: none"> • Attend annual Regional Contracting Forum • Lead annual City Vendor Trade Show • Lead internal Tabor 100 Meet and Greet sessions • Speak at Tabor 100 and other events to provide outreach and information about how to bid on City jobs.
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• **Engage Minority-Owned Business Enterprise (MBE)**

FAS Line of Business	Project or Other Work	Vendor Service and/or Product	Action Plan
Fleet Services	Vehicle body repair	Auto body work	Continue last year's effort to use MBE firms for small repair jobs within DV limits to test work quality and evaluate potential for additional work.
Fleet Services	Vehicle body up-fitting	Auto body and repair work	Will identify and utilize WMBE vendors for customized fabrication and vehicle body up-fitting projects.
Business Technology	External relationship-building	Technology products, including software and peripherals.	Send Business Technology staff to Tabor 100 Meet and Greets and other Outreach events as appropriate.
Animal Shelter	Promotional materials for Furry 5K event, plus other public forms and brochures, and general office supplies	Print and copy services and office supplies	<ul style="list-style-type: none"> • Identify WMBE vendors for Furry 5K promotional materials. • Increase utilization of B-Contracts with WMBE firms. • Rotate among WMBE Vendor Contracts to equitably share business opportunity.
Animal Shelter	Animal healthcare	Veterinary medications	Contact local pharmacies to determine WMBE status.
Animal Shelter	Animal healthcare	Veterinary supplies	Contact local veterinarian supply firms to determine WMBE status
Animal Shelter	Pet Licenses	Pet License Sales Partnerships	Review WMBE status when establishing partnership service agreements. Have seen successes and expansion with a WMBE, who is our number two sales partnership, due to expanded website information.

The Facility Operations Division is committed to purchasing services from a wide range of providers in our community. As part of this commitment, the division expects to increase its payments to WMBE service providers by over 10% compared to 2010. This increase in WMBE contracting is expected even though the division expects a \$300,000 decline in payments to a WMBE software vendor as a major software installation project is concluded. The increase in expected spending on WMBE vendors comes from three principal initiatives:

1. Emphasizing purchases from past successful WMBE vendors.

2. Conducting vigorous outreach when service contracts are re-bid. Several contracts for landscaping and janitorial services are recently been, or are out for bid. The division is collaborating actively with City Purchasing in order to reach out to a wide variety of potential vendors. So far, this approach has been quite productive in securing additional WMBE vendor services.
3. Partnering with City Purchasing to develop additional blanket contracts, and encouraging WMBE vendors to bid. A significant portion of division spending is for building maintenance services, some of which do not yet have WMBE vendors. These blanket contracts are used when peak workloads or specific skills mean that FAS technicians cannot perform a particular job. In 2011, the division will work with City Purchasing to identify and contract for services from contractors providing plumbing and electrical services.

- **Create Pathways into Areas of Scarce WMBE Availability**

FAS Line of Business	Project or Other Work	Vendor Service and/or Product	Action Plan
Fleets Services	Conversion from soy-based biodiesel to waste-grease biodiesel	Bulk fuel (soy-based biodiesel) for fueling stations.	FSD will switch to biodiesel fuel. We are aware of a WMBE vendor that is one of the only suppliers of this fuel in the local area. The biodiesel portion of the fuel from this vendor would be approximately \$500,000. The WMBE supplier may be a subcontractor to a larger fuel distributor
Facility Operations	SMT Building Management	Building management services	Review previous subcontractor commitments for WMBE utilization within the new property management contract. Monitor property management's performance on its Inclusion Plan and enforce monthly reporting of payments to subcontractors.
Business Technology	Technology procurement	Desktop PCs, printers and peripherals	Seek out WMBE firms that can execute procurement model used for HP desktops and laptops ("image" desktops and laptops bought directly from HP).
Animal Shelter	Building operation	Building hardware	Identify WMBE small hardware businesses in lieu of purchasing hardware items at large corporate stores.
Animal Shelter	Animal feeding	Animal food	Research smaller pet food companies for WMBEs instead of purchasing at large corporate stores.
Risk Mgmt	Insurance brokerage	Brokerage for large City insurance policies	Confer with Purchasing Services on ways WMBE firms might partially provide large insurance policy brokerage services
Risk Mgmt	Actuarial reports	Actuarial computation of	Confer with Purchasing Services on ways WMBE firms might partially provide actuarial

		potential dollar liability for Workers Comp, civil litigation and other excess liability.	services to compute and report City insurance coverage needs.
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Consultant Contracting

The following tables identify 2011 projects targeted to provide WMBE participation opportunities in consultant contracting:

- **Engage Practicable Opportunities**

FAS Line of Business	Project or Other Work	Action Plan or Consultant Opportunity	WMBE Status	Roster Candidate (Yes/No)
Capital Developmt & Construction Mgmt (CDCM)	Capital Projects	<ul style="list-style-type: none"> • A/E working on Fire Stations 13 & 16 are WBE. • 4th Qtr A/E selections for fire stations. • On-Call Consultant selection and WMBE utilization. 		
CDCM	Fire Station 14	Deliver via GC/CM and work with Prime Consultant to engage WMBE subconsultant participation.	TBD	No
CDCM	On-call Consultant Contracts	<ul style="list-style-type: none"> • Seek qualified WMBE in the 4 RFQs that will be issued this year for design services, mechanical, electrical engineering & TAB services. • Continue using existing on-call WMBE contracts where available. 	CDCM currently has 16 WMBE on-call contractors for a variety of services	7 of the 16 contracts are roster consultants

Due to prolonged regional economic constraints, consultant contracting opportunities for the FAS Capital Improvement Program (CIP) and Customer Requested Tenant Improvement (CRTI) projects declined in 2010 and is not forecasted to improve in the next biennium.

CDCM created on-call contracts in years prior to 2011 to support its capital work load. Consultants were selected in advance (i.e. serve on-call) to enable FAS to respond quickly to emergent project needs, operations requests, and Customer Requested Tenant Improvement (CRTI) needs. For each selection process, every effort was made to identify and select at least one qualified WMBE firm per professional service. For each selection process, at least one qualified WMBE firm per professional service was selected. CDCM will be running four upcoming on-call RFQs in 2011 and will make every effort to engage with qualified WMBE

firms in each of those selection processes with the hope of increasing WMBE contracting in those areas.

- **Engage Minority-Owned Business Enterprise (MBE)**

FAS Line of Business	Project or Other Work	Action Plan or Consultant Opportunity	WMBE Status	Roster Candidate (Yes/No)
CDCM	Fire Station 16	A/E competitively selected for FS 16 is a MBE	MBE	No
CDCM	Fire Station 13	A/E competitively selected for FS 13 is a MBE	MBE	No

Throughout 2011, FAS will continue to use the Consultant Roster program to identify potential WMBE candidates and rotate contract awards among equally qualified firms when projects offer such rotation opportunity.

- **Create Pathways into Areas of Scarce WMBE Availability**

FAS Line of Business	Project or Other Work	Action Plan or Consultant Opportunity	WMBE Status	Roster Candidate (Yes/No)
CDCM	FAS capital work	Continue to support the City's efforts in events to inform and engage with WMBE firms (ie Tabor 100).	NA	NA
CDCM	FAS capital work	Continue to use the City's Consultant Roster and Office of Minority, Women and Disadvantaged Business Enterprises (OMWBE) directory to contact potential WMBE firms for potential future consulting services. opportunities.	NA	NA
CDCM	FAS capital work	Continue to emphasize inclusion networking at pre-bid walk throughs; offer resources to contracting community	NA	NA

The Capital Development and Construction Management Division (CDCM) will monitor Inclusion Plans for consultant contracts over \$260,000 and work with prime consultants on all consultant contracts to include WMBE subconsultants in their project teams. In addition, CDCM will continue to emphasize the City's and CDCM's cultural values toward inclusion and achievement of quality inclusion plans at CDCM-held pre-bid walk throughs.

5. RELATIONSHIP BUILDING

FAS conducts internal training and networking sessions and participates in local and regional outreach events to inform and outreach to the business community. The following are examples for 2011:

Internal Sessions

- **First Fridays**

PCSD hosts First Fridays each month for consultants, constructions contractors, and vendors to receive information and ask questions about PCSD contracting procedures for all types of contracts. Topics include the City's purchasing and contracting bid policies, bidding procedures, required forms, as well as online registration and roster application procedures. First Fridays are free, and no registration is required. Vendors interested in selling products, equipment, supplies and routine services to the City are encouraged to attend as well as consultants and contractors interested in the City's Consultant Roster, Small Construction Projects Roster, and projects posted on eBid. PCSD staff is available to answer questions and have one-on-one visits with interested vendors, consultants, and contractors.

- **Tabor 100 Meet and Greet**

City Purchasing and Tabor 100 (a Pacific Northwest Association of African-American businesspeople and entrepreneurs) jointly host periodic Meet and Greet sessions where Tabor 100 members can introduce and promote their businesses to City department representatives. For 2010 and beyond, these Meet and Greet sessions are being extended to include Chinese, Hispanic, Vietnamese, and/or Filipino Chambers of Commerce.

- **Outreach Networking Fair**

The Capital Development and Construction Management Division (CDCM) conducts an outreach networking fair for each of its architect selection pre-submittal conferences (five fairs to date) for neighborhood fire station projects. The fair introduces smaller (often WMBE) subconsultants to prime Architectural/Engineering (A/E) teams to build diverse, qualified A/E teams working on Fire Levy projects.

FSD will be preparing and issuing several Invitation To Bid (ITB) and Request for Proposals (RFP) in 2011. FSD will communicate bid opportunities through WMBE community associations and industry associations to ensure awareness of opportunities.

FAS integrates its outreach approaches to facilitate introduction of smaller, qualified WMBE firms to larger prime contractors/consultants.

- **Pre-Bid Walk-Throughs**

FAS has a strategy to consistently hold pre-bid walk-through sessions and provide resources that help potential bidders identify qualified subconsultants

including WMBE firms. An aspect of this education has been teaching the contracting community, both large and small, how to use the eBid system to identify the larger general contractors in order to make contacts and participate in the bid pool.

External Outreach Events

- **Regional Contracting Forum**

FAS organizes City-wide representation, presentations and outreach for the annual Regional Contracting Forum. At the event, FAS explains Consultant Roster application procedures, reviews the eBid procurement system (as a central review point for City Public Works and consultant RFQs and RFPs), explains bidding processes, and helps refer vendors to City departments that may need vendor products or services. The 2011 RCF is on March 30 and over 1,000 attendees are expected.

- **Reverse Vendor Trade Show**

City Purchasing is sponsoring the annual Reverse Vendor Trade Show in July 2011 and is focusing the event on intra-City agencies and businesses. Multiple FAS representatives will attend on behalf of Business Technology, Animal Shelter, Facility Operations, Fleet Services and other FAS lines of business and functions.

- **Other Events**

Throughout the year, FAS monitors, supports and/or attends other events by community, business, and other governmental agencies.

For example, FAS's Office of Constituent Services (OCS) provides outreach at events include attending the Mayor's Town Hall Meetings this year, letting all constituents know about services like the direct service provided by the Customer Service Bureau. OCS Staff members attending outreach events bring translated materials with them so all constituents have information on how to access City services, regardless of English-language fluency.

6. SUPPORT TO OTHER DEPARTMENTS

FAS will provide services to implement Executive Order 2010-05 and support key strategic elements of the City's overall WMBE outreach program. Contemplated services include the following:

- **Training**

Manage a training initiative that educates City employees on City contracting and purchasing policies and processes, outreach tools (vendor and contract search mechanisms), Job Order Contracting, and the Limited Public Works program.

- **Control and Reporting**

Centrally coordinate annual development of City department WMBE Outreach Plans and manage quarterly WMBE outreach reporting. Compile and submit annual department Plans to the Mayor's Office for review and approval.

- **Leadership**

FAS will continue to lead the Equity in Contracting Interdepartmental Team (IDT), Consultant Contracting Advisory Group (CCAG) and other City purchasing-contracting-outreach related teams. FAS utilizes these avenues to advise City departments on new outreach tools (JOC, Websites, procedures), increase City department awareness of the City's existing WMBE B-contracts, upcoming B-Contract rebidding opportunities, WMBE outreach event schedules, etc.

- **Resources**

Engage outside resources to help City departments in their outreach efforts. Such resources include minority and women business focused groups and industry organizations such as the Contractor Development and Competitiveness Center (CDCC), Tabor 100, Northwest Minority Supplier Development Council, and others.

- **Job Order Contracting**

Continue to use the two Job Order Contracts (JOC) as an alternative Public Works contracting tool to help increase WMBE participation opportunities in construction. Each JOC may be used for up to \$4 million of construction work annually per contract year. The JOC program requires 90% of the work under JOC Contract to be subcontracted out and provides participation opportunity to WMBE subconsultants who may be too small to achieve low bid on Public Works projects due to challenges in providing bid, performance, and payment bonds.